

(3) A policy on which the premium is to be paid partly from funds contributed by the insured employees or members specifically for their insurance may be placed in force only if at least 75% of the eligible employees or members, other than those who have evidence of individual insurability that is unsatisfactory to the insurer, elect to make the required contributions.

(4) A policy on which no part of the premium is paid from funds contributed by the insured employees or members specifically for their insurance must insure:

(i) all eligible employees or members; or

(ii) all eligible employees or members other than those who have evidence of individual insurability that is unsatisfactory to the insurer.

(d) (1) The policy must cover at date of issue at least 100 individuals and not less than an average of five individuals per employer unit.

(2) If the fund is established by members of an association of employers, the policy may be issued if:

(i) either:

1. the participating employers constitute at date of issue at least 60% of those employer members whose employees are not already covered for group life insurance; or

2. the total number of individuals covered at date of issue exceeds 600; and

(ii) the policy may not require that, if a participating employer discontinues membership in the association, the insurance of the employer's employees ceases solely because of the discontinuance.

(e) The amounts of insurance under the policy must be based on a plan that precludes individual choice by the employees or members or by the trustees, employers, or unions.]

17-203.

(A) SUBJECT TO THE REQUIREMENTS OF THIS SECTION, A POLICY MAY BE ISSUED TO A TRUST OR TO THE TRUSTEES OF A FUND ESTABLISHED OR ADOPTED BY TWO OR MORE EMPLOYERS, OR BY ONE OR MORE LABOR UNIONS OR SIMILAR EMPLOYEE ORGANIZATIONS, OR BY ONE OR MORE EMPLOYERS AND ONE OR MORE LABOR UNIONS OR SIMILAR EMPLOYEE ORGANIZATIONS, WHICH TRUST OR TRUSTEES SHALL BE DEEMED THE POLICYHOLDER, TO INSURE EMPLOYEES OF THE EMPLOYERS OR MEMBERS OF THE UNIONS OR ORGANIZATIONS FOR THE BENEFIT OF PERSONS OTHER THAN THE EMPLOYEES OR THE UNIONS OR ORGANIZATIONS.

(B) (1) THE PERSONS ELIGIBLE FOR INSURANCE SHALL BE ALL OF THE EMPLOYEES OF THE EMPLOYERS OR ALL OF THE MEMBERS OF THE UNIONS OR ORGANIZATIONS, OR ALL OF ANY CLASS OR CLASSES OF EMPLOYEES OR MEMBERS.